

P/ C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>as dial tone delay and cross-talk). SWBT categorically refused to commit that its UNEs would meet any such standards. Rather, it took the position that its only obligation was to meet otherwise applicable regulatory requirements and to provide UNEs at parity with the UNEs it provides to other LSPs and with the equipment it provides to itself. SWBT has held to that same position in Arkansas negotiations. It will not agree that the unbundled elements it provides to AT&T will meet a single technical standard recognized in the industry. It will not agree that the unbundled elements will reasonably perform the functions ordinarily performed by such equipment and facilities. It offers only parity.</p> <p>A parity standard, however, is of little use without some point of reference that allows AT&T or other LSPs to know what level of performance they are purchasing or to determine whether the parity standard is being met. Bellcore and other industry standards would provide such reference points. Given SWBT's refusal to commit to such standards, however, AT&T agreed in Texas to an alternative approach. The parties would jointly define performance data that would be provided to AT&T to enable it to compare the performance of the elements it was purchasing from SWBT with the elements SWBT provides to other LSPs and the facilities it provides to itself. The parties' agreement took the form of the very same language</p>			

Key: **Bold & underline** represents language proposed by AT&T and opposed by SWBT.
Bold represents language proposed by SWBT and opposed by AT&T.

PA C

CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>which AT&T now proposes as section 2.17.7 of the Arkansas agreement. SWBT agreed to that language in Texas, without any requirement that AT&T pay for the "service" of providing this data. (The Texas provision contains two additional preceding sentences, not proposed in Arkansas, that required SWBT to provide certain other performance data, e.g., installation intervals, to AT&T without cost. These sentences implemented a specific Texas arbitration ruling; but they were unrelated to the remaining language of that section, the language that is proposed again in Arkansas).</p> <p>SWBT also has agreed to this same language in a signed interconnection agreement with Sprint that has been submitted for approval by the Oklahoma Corporation Commission. SWBT claims that some other provision of the Sprint agreement creates some general duty to pay for services received under the agreement and may require Sprint to pay for this UNE performance data, but SWBT has failed to identify this provision to AT&T since it has raised this issue.</p> <p>AT&T's proposed language should be adopted. Given SWBT's unwillingness to commit that its equipment and facilities will meet basic industry standards or perform suitably for their intended purposes, the performance data required by proposed section 2.17.7 serves to provide AT&T with minimal assurance that it is being provided</p>			

Key: Bold & underline represents language proposed by AT&T and opposed by SWBT.

Bold represents language proposed by SWBT and opposed by AT&T.

PA C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		access to SWBT's unbundled elements on terms that are nondiscriminatory, minimal assurance that those elements will permit AT&T to provide customers with competitive telecommunications services. Any cost to providing this data is the product of SWBT's unreasonable refusal to commit to basic performance requirements. It should bear that cost.			

Key: Bold & underline represents language proposed by AT&T and opposed by SWBT.

Bold represents language proposed by SWBT and opposed by AT&T.

Part C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
4. Should AT&T be required to pay rates or charges that were not approved by the Arkansas Commission in order to obtain the full functionality of the elements that this Commission ordered SWBT to unbundle?	Attachment 6, Sections 4.2.2.1, 5.2.3.2, 5.2.4.2, 5.2.4.2.1, 5.2.13, 5.2.14, 5.3.1.3.1, 5.3.1.4, 5.3.1.5, 7.2.3, 7.2.5.2, 7.2.3.2, 7.2.3.3, 7.2.3.4, 7.3.3.1, 7.3.3.2, 7.3.3.3, 8.2.1, 8.2.1.1, 8.2.1.7.1, 8.2.1.7.2.1, 8.2.3.1.1, 9.1.1.3, 9.1.1.4, 9.2.2.2.1, 9.4.1.1, 9.4.2.6.1, 9.5.1.1.1, 9.8.1.1, 10.2.1, 11.2, 11.2.2, 11.3.1, 11.4, 14.1	<p>On page 21 of the award, the Commission awarded AT&T the full functionality of the elements ordered. The elements ordered are found on page 24 of the award as the LBO of SWBT. The pricing of these elements was arbitrated on pages 33 and 34 of the award. Here, AT&T seeks 1) to realize the full functionality of the elements ordered without add-on prices (e.g., feature activation, entrance facility), 2) pricing for elements ordered but not priced (e.g., 4-wire analog loop).</p> <p>In attempting to incorporate the Commission's rulings on unbundled element pricing into a comprehensive interconnection agreement, the parties find themselves still in dispute over many aspects of UNE pricing. In order for AT&T to provide local service to Arkansas customers using unbundled elements, these pricing disputes require resolution without delay. <u>The UNE price schedule containing all of the proposed prices, including the disputed prices, is attached to this matrix as a reference.</u></p> <p>During negotiations SWBT identified multiple additional rates and charges that it proposes to assess for many of the network elements for which rates were ordered by the APSC in this case. These are rates and charges that were not identified as proposed rates by SWBT during the arbitration. Yet, in many instances,</p>	<p>Illustrative Example:</p> <p>5.2.13 SWBT will allow AT&T to designate the features and functions that are activated on a particular unbundled switch port to the extent such features and functions are available or as may be requested by the Special Request process. When AT&T purchases Unbundled Local Switching (ULS), SWBT will provide AT&T the vertical features that the switch is equipped to provide, as part of the usage charges associated with ULS. <u>SWBT has proposed that AT&T will pay non-recurring charges to activate such features in association with a particular ULS Port type when activation takes place at the time the port is established and when activation takes place subsequent to establishment of the port. These charges are in Appendix Pricing UNE - Schedule of Prices labeled "Feature Activation per Port type. When AT&T requests feature activation for unbundled Local Switching, AT&T will not be required to pay these "Feature Activation per Port type" charges, but will pay the applicable switch port and switching usage charges from Appendix Pricing UNE - Schedule of Prices for the local switch through which such features are provided subject to section 1.3 of Appendix Pricing - UNE.</u></p>	<p>Effectively, AT&T proposes that it pay a zero rate in cases such as this. It is unreasonable to suggest that the Arbitrator intended AT&T to receive such elements at no charge. Nor is it reasonable to suggest that the Arbitrator intended to deny SWBT and AT&T the opportunity to negotiate rates for these services.</p>	<p>5.2.13 SWBT will allow AT&T to designate the features and functions that are activated on a particular unbundled switch port to the extent such features and functions are available or as may be requested by the Special Request process. When AT&T purchases Unbundled Local Switching (ULS), SWBT will provide AT&T the vertical features that the switch is equipped to provide, as part of the usage charges associated with ULS. (Language deleted.) AT&T will pay non-recurring charges to activate such features in association with a particular ULS Port type when activation takes place at the time the port is established and when activation takes place subsequent to establishment of the port. These charges are in Appendix Pricing UNE - Schedule of Prices labeled "Feature Activation per Port type"</p>

Key: **Bold & underline** represents language proposed by AT&T and opposed by SWBT.

Bold represents language proposed by SWBT and opposed by AT&T.

P/ C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>SWBT now asserts a unilateral right to add these charges to AT&T's usage of elements that were the subject of rates. At the same time, SWBT maintains that it need not submit these rates for analysis before the Commission with appropriate cost studies, at least until AT&T has initiated and completed an entirely new round of negotiation and arbitration under the Act.</p> <p>SWBT's proposed additional rates fall into two categories. Several reflect SWBT's evolving, preferred UNE rate structure which is highly disaggregated and provides specific rates and charges, including many non-recurring charges, for particular functionalities, subcomponents, or specialized usage of the elements. Here SWBT clearly is proposing to charge AT&T different and additional rates and charges for elements that were the subject of the rates ordered by this Commission. Second, for some elements that the Commission ordered SWBT to unbundle, the rates do not include a rate for some common types of that element, e.g., the 4-wire analog local loop and the DS1 trunk port.</p> <p>(AT&T presents another UNE pricing dispute in a separate section of this matrix. See UNE Issue No. 14. There AT&T shows that SWBT has violated the Arbitration Order in calculating the adjustments required by the APSC for those rates that were ordered.)</p>			

Key: **Bold & underline** represents language proposed by AT&T and opposed by SWBT.
Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 7

P/ C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p><u>Proposed Add-ons For Elements Already Priced</u></p> <p>An illustration of the first, most problematic, category is SWBT's proposed feature activation charge in connection with local switching. See Attachment 6, Section 5.2.13. Local switching is one of the elements that the Act requires SWBT to unbundle. The Commission ruled in favor of SWBT's LBO for end office switching prices, recognizing monthly recurring charges for certain switch ports and usage charges on a minute-of-use basis.</p> <p>Notwithstanding these rulings, SWBT has maintained during negotiations that it should be entitled to collect a "feature activation charge" of \$2.70 per feature, over and above the local switching charges and exclusive of order processing charges, whenever it turns a feature on or off for an AT&T UNE customer.</p> <p>In fact, SWBT's proposed feature activation rate flies in the face of the Arbitration Order. AT&T specifically requested a ruling in this arbitration that SWBT be required to activate UNE services for AT&T. See Arbitration Order at 30. With feature activation raised as an operational issue, the burden was squarely on SWBT to identify any separate rate it might propose for feature activation. SWBT did not. SWBT cannot justify its unilateral assertion of a right to collect a separate feature activation charge.</p>			

Key: Bold & underline represents language proposed by AT&T and opposed by SWBT.
Bold represents language proposed by SWBT and opposed by AT&T.

P f C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>However unjustified, SWBT's position poses a real threat to AT&T's entry into local competition in Arkansas through UNEs. As AT&T understands SWBT's position, AT&T has no assurance that SWBT will activate features on UNE switch ports that AT&T has purchased, unless AT&T agrees to pay this additional feature activation charge without recourse to review before the Commission. The only purpose of these charges is to artificially increase AT&T's cost of service to end-user customers, in disregard of the legal requirement that permanent rates for unbundled elements be cost-based rates.</p> <p>SWBT's proposed additional rates also do a disservice to the Commission. If "feature activation" were really something separate and apart from local switching, then surely AT&T could open a new negotiation under the Act, leading to an eventual arbitration, to obtain access to feature activation. All of SWBT's proposed additional rates could be brought before this Commission via arbitration under the Act. But it serves no purpose, other than delay and the waste of resources by the Commission and the parties, to use two separate arbitrations to determine rates for facilities and functionalities that are completely interrelated. It makes no sense for the Commission to consider the costs of providing local switching and all its features and functionalities in one case and then</p>			

Key: **Bold & underline** represents language proposed by AT&T and opposed by SWBT.
Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 9

P- C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>to examine the costs of turning on those features in a separate case. The prices ordered in this arbitration must be held by the Commission to be the <u>complete set</u> of rates and charges that SWBT may assess for purchase and use of the elements that SWBT is required to unbundle.</p> <p>If SWBT wishes to propose additional charges for UNEs, over and above what this Commission has ordered, it either should come forward now and present cost studies to this Commission in support of its proposed additional charges, or it should bear the burden of opening a new round of negotiations and arbitration. Meanwhile, AT&T's ability to deliver UNE-based services to its customers should not be held hostage.</p> <p>Accordingly, AT&T has proposed contract language recognizing that, to obtain the relevant UNE, it will pay the charges ordered by the Commission, but it will not be required to pay SWBT's proposed additional charges. That provision, of course, would be subject to future negotiations under the Act or such other proceedings as this Commission might require.</p> <p>AT&T's contract language would treat the following proposed additional charges in the fashion described in the preceding paragraph (i.e., AT&T will pay only the applicable charges listed below, which were ordered by this Commission, and no additional</p>			

Key: Bold & underline represents language proposed by AT&T and opposed by SWBT.
Bold represents language proposed by SWBT and opposed by AT&T.

PA C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>charge will apply unless so ordered by the Commission or the parties agree. All references are to Attachment 6:</p> <p><u>Local Switching:</u> (1) customized routing and "call blocking/screening" -- AT&T will pay only applicable local switching and dedicated transport charges (Sections 5.2.3.2, 5.2.4.2.1); (2) feature activation -- AT&T will pay only applicable switch port and usage charges (Section 5.2.13); <u>Dedicated Transport:</u> (3) "Entrance Facility" -- AT&T will pay only applicable dedicated transport - interoffice transport rates (Section 8.2.1.1); (4) Multiplexing - (electronic) - AT&T will pay only applicable interim dedicated transport - interoffice transport rates (Sections 8.2.1.7.1); <u>Signaling and Call-Related Databases:</u> (5) <u>Signaling Link Transport</u> -- "STP Access Connection - 1.544 Mbps" -- AT&T will pay only applicable DS-1 dedicated transport-interoffice transport rates (section 9.1.1.3); <u>Cross-Connect:</u> (6) Digital Loop to Multiplexer/Interoffice -- 4-wire PRI: AT&T will pay only applicable local loop and transport charge (Section 11.2, 11.2.2); (7) "Dedicated Transport Cross Connect" --AT&T will pay only applicable dedicated transport rates and charges (Section 11.4)</p> <p><u>Elements Ordered But Not Priced</u></p> <p>SWBT proposes a second category of additional prices that it is unwilling to have set in this docket. For some</p>			

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**
Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 11

P/ C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>of the elements that the Commission ordered SWBT to unbundle, SWBT's price proposals did not include a rate for some relatively common types of that element, and AT&T had not proposed a specific rate for that element type. Items in this category include the 4-wire analog local loop (Section 4.2.2), and the DS1 trunk port (Section 5.3.1.3.1), centrex-like systems charges (Section 5.2.14), digital cross-connect systems (Section 8.2.3.1.1), and certain types of signaling link transport (Section 9.1.1.4). Access to DS1 trunk ports, for example, is necessary to the customized routing that is otherwise provided for under the Agreement and that will enable AT&T to combine UNE local switching with its own operator and directory assistance platforms.</p> <p>AT&T is entitled under the Act to access to UNEs that is equivalent to SWBT's access to those facilities, to the extent technically feasible. AT&T must have access to all types of facilities in order to be able to respond to the varying needs of its end-user customers. For example, AT&T is entitled to access to all loops and switches at cost-based rates, not just certain types that SWBT may elect. The absence of a specific rate for a particular element type should not be a basis for delaying AT&T's access to that element. The Commission should add to its list of rates an interim rate for each of these items and order them to be submitted for review, accompanied by appropriate cost</p>			

Key: Bold & underline represents language proposed by AT&T and opposed by SWBT.

Bold represents language proposed by SWBT and opposed by AT&T.

P / C

CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		<p>studies.</p> <p>AT&T requests this Commission to establish a procedure to set a cost-based price, either an interim price now that will be subject to further review, or a permanent price.</p>			
4a. UNE 4-wire analog loop	Attachment 6, Section 4.2.2.1	<p>See issue 4 for Arbitration Award reference.</p> <p>AT&T's contract language should be accepted for the reasons described above, and the Commission should provide for establishment of an interim or permanent price for this item.</p>	<p>4.2.2.1 When AT&T purchases 4-wire analog loops, <u>it will pay the rates and charges as agreed to by the Parties, or as may otherwise be ordered by the Arkansas Commission, subject to section 1.3 of Appendix Pricing - UNE.</u></p>	<p>SWBT's rate is more reasonable since it approximates twice the amount of the 2-wire analog loop rate. AT&T has argued that the economics of shared feeder systems dictate a much lower rate. However, the economics of shared feeder are built into the cost of a 2-wire loop. A 4-wire loop will reflect comparable, but not greater, feeder economics.</p>	<p>4.2.2 The 4-wire analog loop provides a non-signaling voice band frequency spectrum of approximately 300 Hz to 3000 Hz. The 4-wire analog loop provides separate transmit and receive paths. The Arkansas Commission ordered unbundling of the local loop element, but the rates approved by the Arkansas Commission did not identify a rate for 4-wire analog loops. When AT&T purchases 4-wire analog loops, it will pay the rates and charges shown on Appendix Pricing UNE -- Schedule of Prices and labeled "4-wire Analog Loop."</p>

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 13

P. C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
4b. Customized routing	Attachment 6, Section 5.2.3.2	<p>See issue 4 for Arbitration Award reference.</p> <p>AT&T's contract language providing that AT&T will pay only applicable local switching and dedicated transport charges, should be adopted for the reasons stated above and as follows:</p> <p>FCC rules require SWBT to provide all "technically feasible customized routing functions provided by The Switch, as part of the local switching element. 47 C.F.R. §51.319(c)(1)(i)(C)(2). The Commission has established rates for the local switching element (port and usage rates) in this proceeding. If SWBT proposed to collect a separate charge for this particular local switching capability, it was incumbent upon SWBT to propose that charge in this proceeding, supported by an appropriate cost study. AT&T should not be required to pay customized routing charges unless and until SWBT has established entitlement to such charges in a subsequent proceeding, based on an appropriate cost study. Meanwhile, AT&T should not be denied access to this important local switching capability. See UNE Issues No. 5, 6.</p> <p>AT&T and SWBT have entered into a stipulation on customized routing for Texas that uses an AIN solution. AT&T has asked, but SWBT has refused at this time to extend that stipulation to Arkansas</p>	<p>5.2.3.2 SWBT has proposed that the establishment of Customized Routing in a SWBT end office will be subject to the rates and conditions specified on an individual case basis as reflected in Appendix Pricing UNE - Schedule of Prices labeled "Customized Routing". <u>When AT&T requests customized routing in connection with a purchase of unbundled Local Switching, AT&T will not be required to pay these proposed "Customized Routing" charges, but will pay the applicable charges from Appendix Pricing UNE - Schedule of Prices for local switching and dedicated transport used to provide such routing subject to section 1.3 of Appendix Pricing - UNE.</u></p>	<p>In the Arbitration, SWBT agreed to work together with AT&T to provide customized routing. Now, price is the issue. Customized routing requires the building of specific switch translations (line class codes) for AT&T, the costs of which are nonrecurring in nature and are not reflected in any switch port monthly recurring or usage charges that have been established. Before committing to undertaking the developmental work, there must be some kind of commitment from AT&T to pay the costs.</p>	<p>5.2.3.2 The establishment of Customized Routing in a SWBT end office will be subject to the rates and conditions specified on an individual case basis as reflected in Appendix Pricing UNE - Schedule of Prices labeled "Customized Routing."</p>

Key: Bold & underline represents language proposed by AT&T and opposed by SWBT.

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 14

Part C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections:	AT&T Reason why language should be included or excluded:	AT&T Language:	SWBT Reason why language should be included or excluded:	SWBT Language:
4c. Call Blocking/Screening	Attachment 6, Section 5.2.4.2.1, Attachment 7, Section 5.2.1	<p>See Issue 4 for Arbitration Award reference.</p> <p>AT&T's contract language providing that AT&T will pay only applicable local switching charges, should be adopted for the reasons stated above and as follows:</p> <p>One capability of local switching, commonplace today, is the capability to block or screen certain types of calls, e.g., 900/976, toll, international. If SWBT wanted to collect separate charges for this particular switch capability, it was incumbent upon SWBT to propose such changes in this proceeding as part of its proposed unbundled local switching rates. Instead, SWBT now proposes additional blocking/screening charges, after the record in this arbitration is closed, and it asserts the right to collect those charges, over and above the local switching rates established by the Arbitration Order. AT&T must have the ability to provide call blocking and screening capability to its UNE customers, on a par with the blocking and screening SWBT provides to its end user customers through the same local switches. SWBT may not require AT&T to pay additional charges, unreviewed by this Commission to obtain this essential switching capability.</p>	<p>5.2.4.2.1 SWBT has proposed that the establishment of call blocking/screening requirements in a SWBT end office will be subject to the rates and conditions specified on an individual case basis as reflected in Appendix Pricing UNE - Schedule of Prices labeled "Call Blocking/Screening". When AT&T requests call blocking/screening in connection with a purchase of unbundled Local Switching, AT&T will not be required to pay these proposed "Call Blocking/Screening" charges, but will pay the applicable charges from Appendix Pricing UNE - Schedule of Prices for local switching subject to section 1.3 of Appendix Pricing - UNE.</p> <p><u>Attachment 7</u></p> <p>5.2.1 SWBT has proposed that the establishment of call blocking/screening requirements in a SWBT end office will be subject to the rates and conditions specified on an individual case basis as reflected in Appendix Pricing UNE - Schedule of Prices labeled "Call Blocking/Screening". When AT&T requests call blocking/screening in connection with a purchase of unbundled Local Switching, AT&T will not be required to pay these proposed "Call Blocking/Screening" charges, but will pay the applicable charges from Appendix Pricing UNE - Schedule of Prices for local switching subject to section 1.3 of Appendix Pricing - UNE.</p>	See the rationale in the immediately preceding issue.	4.2.1 The establishment of call blocking/screening requirements in a SWBT end office will be subject to the rates and conditions specified on an individual case basis as reflected in Appendix Pricing UNE - Schedule of Prices labeled "Call Blocking/Screening".

Key: **Bold & underline** represents language proposed by AT&T and opposed by SWBT.
Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 15

P. C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
4d. Feature Activation	Attachment 6, section 5.2.13	See issue 4 for Arbitration Award reference. AT&T's contract language providing that AT&T will pay only applicable local switch port and usage charges, should be adopted for the reasons stated above.	5.2.13 SWBT will allow AT&T to designate the features and functions that are activated on a particular unbundled switch port to the extent such features and functions are available or as may be requested by the Special Request process. When AT&T purchases Unbundled Local Switching (ULS), SWBT will provide AT&T the vertical features that the switch is equipped to provide, as part of the usage charges associated with ULS. SWBT has proposed that AT&T will pay -non-recurring charges to activate such features in association with a particular ULS Port type when activation takes place at the time the port is established and when activation takes place subsequent to establishment of the port. These charges are in Appendix Pricing UNE - Schedule of Prices labeled "Feature Activation per Port type. When AT&T requests feature activation for unbundled Local Switching, AT&T will not be required to pay these "Feature Activation per Port type" charges, but will pay the applicable switch port and switching usage charges from Appendix Pricing UNE - Schedule of Prices for the local switch through which such features are provided subject to section 1.3 of Appendix Pricing - UNE.	This again is a simple pricing issue. AT&T did not specifically seek to arbitrate feature activation charges. However, feature activation charges are nonrecurring charges designed to recover SWBT's one time cost of activating features in its switches. Under AT&T's proposal, AT&T could order basic switching service with no features one day and each day for the next two weeks ask SWBT to activate a new custom calling feature. Each time SWBT would have to activate a feature, it would incur the costs associated with the activity. However, AT&T would never be required to pay any of these costs. AT&T thus seeks to have its offering of vertical services subsidized by SWBT and its customers in a manner not contemplated by the Act.	SWBT will allow AT&T to designate the features and functions that are activated on a particular unbundled switch port to the extent such features and functions are available or as may be requested by the Special Request process. When AT&T purchases Unbundled Local Switching (ULS), SWBT will provide AT&T the vertical features that the switch is equipped to provide, as part of the usage charges associated with ULS. AT&T will pay -non-recurring charges to activate such features in association with a particular ULS Port type when activation takes place at the time the port is established and when activation takes place subsequent to establishment of the port. These charges are in Appendix Pricing UNE - Schedule of Prices labeled "Feature Activation per Port type
4e. Centrex-like System Charges	Attachment 6, section 5.2.14.	See issue 4 for Arbitration Award reference.	5.2.14 The Arkansas Commission ordered unbundling of local switching, but the rates approved by the	These prices were not previously arbitrated by AT&T. As a previous supplier of Centrex-like systems,	5.2.14 The Arkansas Commission ordered unbundling of local switching, but the rates approved by the

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 16

Part C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	Reason why language should be included or excluded AT&T Language	Reason why language should be included or excluded SWBT Language
	Attachment 7, section 5.2.1 contains similar words as in Attachment 6	AT&T's contract language should be accepted for the reasons described above. Like feature activation, customized routing, and call blocking/screening, centrex-like systems capability is part of the features, functions, and capabilities included in the local switching element. AT&T should not be required to pay separate charges for this capability, over and above the local switching charges established in this arbitration, unless and until SWBT establishes the right to collect such charges, on the basis of an appropriate cost study, in a subsequent proceeding.	Arkansas Commission did not include explicit rates for the establishment and subsequent modification of centrex-like systems associated with unbundled Local Switching. <u>When AT&T requests the establishment and subsequent activity for centrex-like systems for a particular end user, AT&T will not be required to pay the separate centrex-like systems charges proposed by SWBT on Appendix Pricing UNE-Schedule of Prices, but will pay the applicable switch port and switching usage charges for the local switch providing the centrex-like systems capability for the end user, subject to Section 1.3 of Appendix Pricing UNE.</u>
4f. DS1 trunk port	Attachment 6, section 5.3.1.3.1, Appendix UNE - Schedule of Prices at 3.	See issue 4 for Arbitration Award reference. The Commission ordered unbundling of local switching. The DS1 trunk port is a common switch port, important in the provision of PBX services. Unbundled access to the DS1 trunk port also will be essential to AT&T's ability to customize route its customer's OS/DA calls to the AT&T OS/DA platforms. DS1 trunks will form the "route" between the SWBT local switch and the AT&T OS/DA platforms, necessitating access to the DS1 trunk port. SWBT offered no standard pricing for this switch port at the time of the arbitration; and the Commission did not establish a rate for this element.	Arkansas Commission did not include explicit rates for the establishment and subsequent modification of centrex-like systems associated with unbundled Local Switching.
		5.3.1.3.1 The Arkansas Commission ordered unbundling of the local switching element, but the rates approved by the Arkansas Commission did not identify a rate for DS1 trunk port. <u>When AT&T purchases a DS1 trunk port, it will pay the rates and charges as are agreed to by the Parties, or as may otherwise be ruled by the Arkansas Commission, subject to section 1.3 of Appendix Pricing - UNE.</u>	AT&T is well aware of the differences between single line analog and Centrex services. AT&T's claim that it is entitled to receive these services free of charge is shameful.
			Arkansas Commission did not include explicit rates for the establishment and subsequent modification of centrex-like systems associated with unbundled Local Switching.
			AT&T chose not to arbitrate the DS1 trunk port. It does not follow that AT&T should now be entitled to receive the service at no charge.
			5.3.1.3.1 The Arkansas Commission ordered unbundling of the local switching element, but the rates approved by the Arkansas Commission did not identify a rate for DS1 trunk port.

Key: Bold & underline represents language proposed by AT&T and opposed by SWBT.
Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 17

PART C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		SWBT now offers a rate for this switch port but to date has been unwilling to submit that rate for review by the Commission. For the reasons set forth above, the Commission should provide a procedure for establishing an interim or permanent DS-1 trunk port rate without delaying AT&T's access to this element.			
4g. Dedicated Transport	Attachment 6, section 8.2.1., 8.2.1.1	<p>See Issue 4 for Arbitration Award reference.</p> <p>AT&T's contract language providing that AT&T will pay only applicable dedicated transport - interoffice transport rates and charges should be adopted for the reasons stated above and further specified below.</p> <p>SWBT proposes to charge a separate, higher, set of "entrance facility" charges for dedicated transport between a SWBT office and an AT&T switch than the dedicated transport charges ordered by this Commission. SWBT proposes to limit application of the charges ordered in this proceeding to dedicated transport between two SWBT offices. However, SWBT did not propose this limitation on its "interoffice transport" charges in these arbitration proceedings. AT&T does not believe that the proposed "entrance facility" charges can meet the cost-based standard for UNE pricing required under the Act. The FCC definition of interoffice transport does not distinguish between these two categories of facilities (inter-ILEC versus ILEC-to-LSP). AT&T</p>	<p>8.2.1.1 The Price for dedicated transport between SWBT wire centers is contained in Appendix Pricing - UNE Schedule of Prices labeled Dedicated Transport (Interoffice Transport), subject to section 1.3 of Appendix Pricing - UNE. <u>On an interim basis, when AT&T requests Dedicated Transport between a SWBT wire center and an AT&T or third party location, it will not be required to pay the rates and charges labeled "Dedicated Transport - Entrance Facility," but will pay the "Dedicated Transport - Interoffice Transport" rates and charges applicable to the requested transmission rate. If it is determined in the Cost Study Proceeding (see section 1.3 of Appendix Pricing UNE) that different charges should apply to Dedicated Transport between a SWBT wire center and an AT&T or third party location, then AT&T will pay such charges thereafter.</u></p>	<p>This is another example of AT&T's wish to use the arbitration process for some "free" service. Entrance facilities were not included on transport in the arbitration. As SWBT pointed out in the arbitration, dedicated transport is transport between two SWBT offices, not between the networks of two different carriers.</p>	<p>8.2.1 Dedicated Transport is an interoffice transmission path dedicated to a particular customer or carrier that provides telecommunications between wire centers owned by SWBT or AT&T or third parties acting on behalf of AT&T, or between switches owned by SWBT or AT&T or third parties acting on behalf of AT&T. Dedicated Transport includes Digital cross-connect system (DCS) functionality as specified below. AT&T will pay different rates and charges for Dedicated Transport between SWBT wire centers as opposed to between a SWBT wire center and an AT&T location or a location of a third party acting on behalf of AT&T.</p> <p>8.2.1.1 The Price for dedicated transport between SWBT wire centers is contained in Appendix Pricing - UNE Schedule of Prices labeled Dedicated Transport (Interoffice Transport), subject to section 1.3 of Appendix Pricing - UNE.</p>

Key: Bold & underline represents language proposed by AT&T and opposed by SWBT.

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 18

P. C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		has disputed the application of the entrance facility charges in contract negotiations with SWBT in other states, with no resolution to date. Resolving this issue, however, is necessary in order to implement the Commission's pricing directive without creating a gap in the types of dedicated transport AT&T can order. AT&T accordingly requests that all dedicated transport be priced as "interoffice transport", i.e., the rates and charges ordered by this Commission.			
4h. Multiplexing (electronic-optical)	Attachment 6, sections 8.2.1.7.1 and 8.2.1.7.2.1	<p>See issue 4 for Arbitration Award reference.</p> <p>The Commission ordered SWBT to provide AT&T all technically feasible types of multiplexing on the same terms SWBT provides to itself. Arbitration Order at 30-31. SWBT, which had resisted providing multiplexing as part of dedicated transport, now offers add-on prices for multiplexing, without supporting cost data. SWBT's proposed pricing is a means to further delay AT&T's access to dedicated transport and multiplexing functionality.</p> <p>SWBT knew that AT&T was arbitrating the right to multiplexing functionality in this proceeding. Rather than recognize that AT&T might prevail and propose related rates, SWBT stood on its categorical opposition to providing multiplexing. AT&T should not be required to pay unreviewed multiplexing charges,</p>	<p>8.2.1.7.1 SWBT has proposed that AT&T will pay rates and charges for Voice Grade to DS1 and DS1 to DS3 multiplexing and demultiplexing that are in addition to Dedicated Transport rates and charges. These charges are shown in Appendix Pricing - UNE - Schedule of Prices labeled "Multiplexing." When AT&T requests multiplexing or demultiplexing functionality in connection with an order for Dedicated Transport, it will not be required to pay the rates and charges labeled "Multiplexing," but will pay the applicable "Dedicated Transport - Interoffice Transport" rates and charges, as agreed to by the Parties, or as may otherwise be ruled by the Arkansas Commission, subject to section 1.3 of Appendix Pricing - UNE.</p>	<p>No price for this service was proposed, or even discussed in the arbitration. SWBT's proposed recurring rate is based on the existing interstate access tariffs, as are some other rates that were arbitrated.</p>	<p>8.2.1.7.1 AT&T will pay rates and charges for Voice Grade to DS1 and DS1 to DS3 multiplexing and demultiplexing that are in addition to Dedicated Transport rates and charges. These charges are shown in Appendix Pricing - UNE - Schedule of Prices labeled "Multiplexing."</p>

Key: Bold & underline represents language proposed by AT&T and opposed by SWBT.
Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 19

P / C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be Included or excluded	AT&T Language	SWBT Reason why language should be Included or excluded	SWBT Language
		<p>over and above the dedicated transport charges established in this arbitration, to obtain the multiplexing functionality required under the Arbitration Order.</p> <p>AT&T's contract language providing that AT&T will pay only applicable dedicated transport rates and charges should be adopted for the reasons stated above.</p>			
4j. Signaling Link Transport	Attachment 6, section 9.1.1.4	<p>See Issue 4 for Arbitration Award reference.</p> <p>The Arkansas Commission ordered SWBT to provide unbundled access to its signaling and call-related databases, one of the UNEs recognized by the FCC. Arbitration Order at 24. The Commission's Order did not include any interim prices for STP Access Link 56 kbps transport, which may be ordered as part of Signaling Link Transport.</p> <p>AT&T's contract language providing that AT&T will pay only such rates as this Commission may order in the future, or as the parties may agree, should be adopted for the reasons stated above.</p>	<p>9.1.1.4 If new links are established and the SPOI is located in a different end office than the STP, AT&T may purchase 56 Kbps transport between the SPOI and the cross connect panel where the STP is located (in addition to the port and cross connect required in 9.1.1.2 above). <u>In this circumstance, AT&T will pay the rates and charges ordered by the Arkansas Commission in Docket No. 96-395-U or as the Parties may otherwise agree, subject to section 1.3 of Appendix Pricing UNE.</u></p>	<p>This issue is similar to the entrance facility issue mentioned above. AT&T again forgets that it is its responsibility to bring issues before the Arbitrator. AT&T failed to request a rate for this element.</p>	<p>9.1.1.4 If new links are established and the SPOI is located in a different end office than the STP, AT&T may purchase 56 Kbps transport between the SPOI and the cross connect panel where the STP is located (in addition to the port and cross connect required in 9.1.1.2 above). <u>In this circumstance, AT&T will pay for each link the charges labeled "Unbundled Signaling - STP Access Link - 56Kbps" on Appendix Pricing UNE - Schedule of Prices, subject to section 1.3 of the Appendix Pricing - UNE.</u></p>
4k. Loop Cross Connect - Digital Loop to Multiplexer/Interoffice - 4 Wire PRI	Attachment 6, section 11.2.2	<p>See issue 4 for Arbitration Award reference.</p> <p>AT&T's contract language providing that AT&T will not be required to pay this additional charge should be accepted for the reasons described above.</p>	<p>11.2.2 SWBT has proposed that, when AT&T orders a cross connect between a 4-Wire PRI digital loop and Inter office transport, AT&T will pay the rates and charges labeled "Digital Loop to Multiplexer/Interoffice - 4-Wire PRI." <u>AT&T will not be required to pay this cross connect charge unless</u></p>	<p>Like many of the other issues herein, this is another case where AT&T did not arbitrate the price for this service, yet now claims it should be available at no charge.</p>	<p>When AT&T orders a cross connect between a 4-wire PRI digital loop and Interoffice transport, AT&T will pay the rates and charges labeled "Digital Loop to Multiplexer/ Interoffice - 4-wire PRI."</p>

Key: **Bold & underline** represents language proposed by AT&T and opposed by SWBT.

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 20

P. C
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	AT&T Reason why language should be Included or excluded	AT&T Language	SWBT Reason why language should be Included or excluded	SWBT Language
		SWBT's proposed 4-Wire PRI loop rate was approved by the Commission with certain adjustments. SWBT did not propose a separate price for a cross-connect to connect such loops to multiplexer/dedicated transport facilities. It should not be permitted to add such a charge unilaterally now.	so ordered by the Arkansas Commission or as the Parties may otherwise agree, but will pay the applicable local loop and transport charges, subject to section 1.3 of Appendix Pricing - UNE.		
4m. Dedicated Transport Cross Connects	Attachment 6, section 11.4	<p>See issue 4 for Arbitration Award reference.</p> <p>AT&T's contract language providing that AT&T will pay only applicable dedicated transport rates and charges should be adopted for the reasons stated above.</p> <p>Although SWBT's proposed cross-connect charge for dedicated transport up to DS3 speeds is \$0.00, the Commission should reject the concept of this rate element (in another state, SWBT has already said that it will be changing those \$0.00 amounts to larger amounts pending final cost studies), and SWBT's proposed "ICB" charges for optical transport cross-connects. Dedicated transport, by definition, connects to facilities on either end. The wire, fiber, or "plugs" needed to connect the transport on either end are a necessary part of dedicated transport and should be included in the price.</p>	<u>11.4 When AT&T orders Dedicated Transport, AT&T will be provided any cross-connects required at either end of the facility, without any rate or charge in addition to the Dedicated Transport rates and charges referenced in section 8.2.1, or as agreed to by the Parties, or as may otherwise be ruled by the Arkansas Commission, subject to section 1.3 of Appendix Pricing - UNE.</u>	Today, the cost for dedicated transport cross connects are built into the interstate rates for dedicated transport. When new cost studies are completed in the future, the dedicated transport cross connects will be a separate cost element and a separate rate element.	SWBT objects to the inclusion of AT&T's proposed language in 11.4.

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**
Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97
UNE - 21

PAF
CONNECTIONAL DISPOSITION ISSUES MATRIX
AT&T/SWBT INTERCONNECTOR AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections	Reason why language should be included or excluded	AT&T Language	Reason why language should be included or excluded	SWBT Language
5. Should the contract include reasonable deadlines for filling orders for customized routing to AT&T directory assistance and operator services?	Attachment 6, section 5.2.4.2, Appendix Customized Routing - Resale , Section 1.2 same words added to paragraph directly pertaining to resale arrangements	<p>Customized routing was arbitrated on page 20 of the Award. This timing issue is critical in order for AT&T to be able to effectively utilize customized routing.</p> <p>SWBT has agreed that, when AT&T purchases unbundled local switching, SWBT will provide customized routing upon request in order for the switch to route operator services and directory assistance calls from AT&T local customers to AT&T's operator services and directory assistance platforms. See Attachment 6, section 5.2.3. SWBT was obligated to do so; FCC regulations under the Act require ILECs to provide all "technically feasible customized routing functions provided by the switch." 47 C.F.R. § 51.319(c)(1)(i)(C)(2). See also FCC Order ¶ 418.</p> <p>Customized routing of OS/DA calls is an important part of opening the marketplace to competition. Utilizing proprietary OS/DA platforms that they already have developed will offer CLECs an early opportunity to differentiate their prices and services from the ILEC.</p> <p>Customized routing must be requested and implemented on an end-office by end-office basis. SWBT initially elected to use line class codes to implement customized</p>	<p>5.2.4.2 Customized Routing of Directory Assistance and Operator Services will be provided on those SWBT switches with existing capabilities and capacity (e.g. by utilizing line class code or similar method). For those switches that lack the existing capability and/or capacity to support Customized Routing, SWBT will develop alternative method(s) (e.g., AIN based method) of providing Customized Routing of Directory Assistance and Operator Services. SWBT will complete implementation of said alternative method(s) by December 31, 1997. The schedule for development of alternative method(s) is dependent upon the ability of SWBT's vendor to meet its current commitment; however, SWBT will use its best efforts to manage the vendor to meet said date. Where AT&T orders Customized Routing or any special screening requirements, such order must be placed on a per class of service basis in each end office. SWBT will fulfill orders for particular Customized Routing arrangements within 30 days following receipt of a completed Customized Routing Order for the relevant switches from AT&T, unless the Parties agree to a different schedule. If under 5.2.3.2, AT&T is required to pay for Customized Routing on an ICB basis, SWBT will provide a price quote within 10</p>	<p>SWBT objects to AT&T's time intervals because they are neither practical nor technically feasible. It requires 30 working days to analyze requests and develop price quotes and four months to fulfill requests. AT&T asserts that customized routing has been implemented elsewhere, apparently implying that this would then make it trivial to implement in SWBT. However, it is not trivial to implement a new procedure that is the foundation for the routing of many thousands of calls on a daily basis, and the process being used is in fact untried in SWBT territory as it relates to the routing of calls for LSPs.</p>	<p>5.2.4.2 Customized Routing of Directory Assistance and Operator Services will be provided on those SWBT switches with existing capabilities and capacity (e.g. by utilizing line class code or similar method). For those switches that lack the existing capability and/or capacity to support Customized Routing, SWBT will develop alternative method(s) (e.g., AIN based method) of providing Customized Routing of Directory Assistance and Operator Services. SWBT will complete implementation of said alternative method(s) by December 31, 1997. The schedule for development of alternative method(s) is dependent upon the ability of SWBT's vendor to meet its current commitment; however, SWBT will use its best efforts to manage the vendor to meet said date. Where AT&T orders Customized Routing and any special blocking/screening requirements, (e.g., 900 blocking, toll restriction) such order must be placed on a per class of service basis in each end office. SWBT will fulfill orders for particular Customized Routing arrangements within 30 work days following receipt of a completed Customized Routing Order for the relevant switches from AT&T, unless the Parties agree to a different schedule. If under 5.2.3.2, AT&T is required to pay for Customized Routing on an ICB</p>

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97

UNE - p. 22

PAR
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue	Attachment and Sections	Reason why language should be included or excluded AT&T Language	Reason why language should be included or excluded SWBT Language
		<p>routing, perhaps the most cumbersome alternative to execute among available alternatives. (AT&T and SWBT have entered into a stipulation in Texas to use AIN technology for customized routing. To date, SWBT has refused to extend that stipulation to Arkansas.) Customized routing has been implemented elsewhere; this is not novel or untried technology. Accordingly, implementation of customized routing should proceed reasonably promptly under the SWBT/AT&T Interconnection agreement, if AT&T is to receive the full local switching functionality, on nondiscriminatory terms, that the Act requires. Some definition of a schedule for implementing customized routing is necessary to provide minimal predictability for developing and executing a business plan. Above all, implementation of customized routing, which necessarily rests in the hands of the ILEC, must not become a means for delaying or negating AT&T's entry into the local Arkansas marketplace.</p> <p>For all these reasons, the contract should contain reasonable time frames for implementation of customized routing. The language proposed by AT&T recognized that additional time may be required to fill initial orders, which may involve multiple switches across the state.</p>	<p>calendar days of the receipt of the Customized Routing forms. Upon AT&T acceptance of the price quote the 30 calendar day interval for fulfilling orders will begin. Where it is not technically feasible to meet AT&T's requests through available SWBT network resources, SWBT will advise AT&T within 15 working days after order receipt.</p> <p>In order to accommodate start up needs for Customized Routing requests issued by AT&T prior to October 1, 1997, the 10 calendar day price quote and 30 calendar day order fulfillment period referred to above will be 20 calendar days and 60 calendar days respectively.</p> <p>Customized Routing 1.2</p> <p>1.2 Customized routing of Directory Assistance and Operator Services on those SWBT switches with existing capabilities and capacity (e.g., by utilizing line class code or similar method) will be provided by SWBT. For those switches that lack the existing capability and/or capacity to support customized routing, SWBT will develop alternative method(s) (e.g., AIN based method) of providing customized routing of Directory Assistance and Operator Services. SWBT will complete implementation of said</p> <p>basis, SWBT will provide a price quote within 10 work days of the receipt of the Customized Routing forms. Upon AT&T acceptance of the price quote the 30 work day interval for fulfilling orders will begin. Where it is not technically feasible to meet AT&T's requests through available SWBT network resources, SWBT will advise AT&T within 15 working days after order receipt.</p> <p>In order to accommodate start up needs for Customized Routing requests issued by AT&T prior to October 1, 1997, the 10 work day price quote and 30 work day order fulfillment period referred to above will be 30 calendar days and 90 calendar days respectively.</p>

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97

UNE - p. 23

PAR
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue	Attachment and Sections	Reason why language should be included or excluded AT&T Language	AT&T Language	Reason why language should be included or excluded SWBT Language	SWBT Language
		<p>The proposed language allows SWBT 60 days to fulfill orders for customized routing issued by AT&T prior to October 1, 1997. If customized routing is to be priced on an individual case basis (which AT&T opposes, see UNE Pricing - customized routing and the general UNE pricing issues discussed above), SWBT would be required to provide a price quote for an end office within 20 days of receiving a request. Under this hypothesis, SWBT's 60 day period to implement customized routing would not begin to run until AT&T accepted the price quote.</p> <p>During negotiations, SWBT did not disagree in concept. Rather, it asserted that it should be permitted 90 days to fill customized routing during this initial period and that the price quote period, if applicable, should be 30 days. AT&T submits that these periods would unnecessarily delay its use of its own OS/DA platforms to provide service to Arkansas customers.</p> <p>After the initial phase of customized routing orders (until October 1, 1997), AT&T proposes that the more occasional orders to follow should be filled in 30 calendar days. Price quotes, if applicable, should be provided in 10 calendar days.</p>	<p><u>alternative method(s) by December 31, 1997. The schedule for development of alternative method(s) is dependent upon the ability of SWBT's vendor to meet its current commitment; however, SWBT will use its best efforts to manage the vendor to meet said date.</u></p>		

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97

UNE - p. 24

PAR
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections:	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
		AT&T's proposed language should be accepted to provide reasonable time frames for customized routing implementation, which is necessary in order to implement the Commission's order to unbundle local switching and to meet the Act's requirement of unbundled access to the full functionality of local switching on terms that are just, reasonable and nondiscriminatory.			
6. Should the contract recognize a reasonable technical procedure for implementing customized routing for DA services?	Attachment 6, section 5.2.4.4, 5.2.4.4.1, and 5.2.4.5	<p>Customized routing was arbitrated on page 20 of the Award. This technical issue is critical in order for AT&T to be able to effectively utilize customized routing.</p> <p>For the same reasons that it is important to include some specific time frames for implementation of customized routing, it also is important that the parties commit themselves to a reasonable technical means of implementing SWBT's chosen line class code solution in a way that is compatible with AT&T's operator services and directory assistance platforms. For directory assistance, it has become apparent that SWBT's 5ESS and DMS100 switches can provide the functionality and features, including digit translation, to route the calls to AT&T designated trunks via Feature Group D signaling. For 1AESS and other switch types, these calls can be routed to the designated trunks via Modified Feature Group C signaling.</p>	<p><u>5.2.4.4 At AT&T's request, SWBT will provide the functionality and features, including digit translation (i.e., 1+411 to 900-XXX-XXXX) as specified by AT&T, within the SWBT local switch (LS) to route AT&T customer-dialed Directory Assistance local calls to the AT&T designated trunks via Feature Group D signaling from SWBT's 5ESSs, DMS100 switches, and other switches as it becomes technically feasible, or as the Parties may otherwise agree, for direct dialed calls (e.g., 1+411, 1+Home/Foreign NPA-555-1212 sent paid).</u></p> <p>5.2.4.4.1 At AT&T's request, SWBT will provide functionality and features within its LS to route AT&T customer-dialed Directory Assistance local calls to the designated trunks via <u>Modified Feature Group C</u> signaling from SWBT's 1AESS switches and other switch types or as the Parties otherwise agree, for direct dialed</p>	AT&T's request does not contain enough information to determine if the request is technically feasible. The AT&T proposed language would require SWBT to provide FGD in customized routing for DA intralata calls. AT&T is not entitled to FGD in connection with customized routing because SWBT does not provide that feature to itself nor to anyone else where DA is concerned.	SWBT objects to the inclusion of AT&T's proposed language.

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97

UNE - p. 25

PAR
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue:	Attachment and Sections:	AT&T Reason why language should be included or excluded:	AT&T Language:	SWBT Reason why language should be included or excluded:	SWBT Language:
		AT&T's proposed language providing for these solutions should be accepted in order to implement timely, nondiscriminatory access to the full functionality of unbundled local switching and as a reasonable means to implement the customized routing that the Act requires.	calls, (e.g., 1+411, 0-, and 0+ Local, 1+HNPA+555-1212, <u>sent paid</u>).		
			5.2.4.5 SWBT will provide the functionality and features within its local switch to route AT&T dialed 0/0+ local calls to AT&T via operator services <u>Modified Feature Group C</u> signaling.		
<p>7.</p> <p>AT&T: Should the contract permit AT&T to quote its own rates by means of a "0 minus transfer" from a SWBT operator?</p> <p>SWBT: Should the contract permit AT&T to quote its own rates by means of a "0 minus transfer" from a SWBT operator? Whether AT&T should be forced to provide SWBT with AT&T's OS/DA rates, when a zero minus transfer is immediate and allows customers who have chosen AT&T for local service to be quoted accurate rates and serviced</p>	<p>Attachment 6, sections 7.2.3.3, and 7.2.3.4.</p> <p>Appendix DA - Resale Section 3.3 and 3.4</p> <p>Attachment 22: DA - Facilities Based, Section 3.2 and 3.3</p> <p>Appendix OS - Resale Section 9.3 and 9.4</p> <p>Attachment 23: OS - Facilities Based, Section 2.8 and 2.9</p>	<p>The Commission awarded AT&T the full functionality of unbundled network elements on page 22 of the Award. 0- transfer allows AT&T to use OS/DA in a way that 1) prevents exposure of proprietary data to SWBT and 2) comports with a common practice between the companies today.</p> <p>Among the unbundled network elements recognized by the OCC and the FCC are operator services and directory assistance facilities. Accordingly, the proposed Agreement provides AT&T the option of purchasing the use of SWBT's OS/DA facilities as an unbundled element. See Attachment 6, section 7.0.</p> <p>One service provided through operator services and directory assistance is rate quotation. When AT&T is using SWBT's unbundled OS/DA services, and a customer requests a rate quote, AT&T has</p>	<p>7.2.3.3 <u>If AT&T so requests in writing</u>, SWBT Operator Services operators will provide Operator Services Rates/Reference Information upon request to AT&T's end users.</p> <p>7.2.3.4 <u>If AT&T has not made such a request in writing, as provided in Section 7.2.3.3 above, when an AT&T caller requests a quotation of rates, the call will be treated as an Operator Transfer Service request and SWBT will connect the caller to AT&T's operator services for the purposes of providing a quotation of AT&T's rates, thereby fulfilling the customer's request for a quotation of rates. The charge for this service is reflected on Appendix Pricing UNE - Schedule of Prices labeled "Operator Services Call Completion Services - 0 - Transfer."</u></p>	<p>As defined in SWBT's Appendix OS, 0 Transfer is a service offered by SWBT in which the local caller requires operator assistance for completion of a call outside the originating LATA. In handling such calls, the SWBT operator transfers the call to an interexchange carrier selected by the caller from a list of IXC's provided to SWBT by the LSP. In connection with the 0- transfer service, it is the LSP who makes all necessary compensation arrangements with the participating carriers. AT&T's proposal inappropriately assumes that all AT&T local customers have presubscribed to AT&T long distance, which may not be the case. Secondly, if SWBT were to comply with AT&T's request, it would be discriminating against other providers and itself.</p>	<p>7.2.3.3 SWBT Operator Services operators will provide Operator Services Rates/Reference Information upon request to AT&T's end users, as required by Sec. 226(b)(1)(c) of the Act. Rate/Reference information will be provided under the following terms and conditions:</p>

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97

UNE - p. 26

PAR
CONTRACTUAL DISPUTED ISSUES MATRIX
AT&T/SWBT INTERCONNECTION AGREEMENT - ARKANSAS
UNBUNDLED NETWORK ELEMENTS

Issue	Attachment and Sections	AT&T Reason why language should be included or excluded	AT&T Language	SWBT Reason why language should be included or excluded	SWBT Language
directly by AT&T.		<p>proposed to use SWBT's "Operator Transfer Service" to have the call transferred to an AT&T operator who will provide the requested quote. Use of this "0 - transfer" will avoid the expense, cumbersomeness, and competitive sensitivity of loading and updating AT&T rate information into the SWBT OS/DA platforms. "0 - transfers" are provided for and priced under the Agreement, so this alternative is readily available. AT&T's provision of rate quotes in this manner will satisfy all applicable regulatory requirements.</p> <p>AT&T's proposed contract language providing for rate quotation through "0-transfers should be accepted.</p>	<p><u>3.3 If AT&T so requests in writing, SWBT Directory Assistance operators will provide Directory Assistance Rate Information upon request to AT&T's end users. [SWBT language withdrawn at SWBT's request.]</u></p> <p><u>3.4 If AT&T has not made such a request in writing, as provided in Section 3.3 above, when an AT&T caller requests a quotation of rates, the call will be treated as an Operator Transfer Service request and SWBT will connect the caller to AT&T's operator services for the purposes of providing a quotation of AT&T's rates, thereby fulfilling the customer's request for a quotation of rates. AT&T will pay to SWBT the same charge for Operator Transfer Service that is applicable to operator transfer services for AT&T's interexchange services.</u></p>		
8. Should the Agreement contain special limitation of liability and indemnity provisions concerning operator services, directory assistance, and call-related databases?	Attachment 6, sections 7.2.8, 7.3.7 and 9.5.3.10	The Commission stated on page 12 of the Award that "An end user that chooses to switch LECs should not be penalized for that decision through delays, excess charges, or unnecessary inconvenience." Here, SWBT seeks to set additional limits of liability which, if awarded, would expose AT&T to additional risk and thus potential excess charges.	<p><u>7.2.8 Limitation of Liability and Indemnification</u></p> <p><u>Indemnification and limitation of liability provisions covering the matters addressed in this Attachment are contained in the General Terms and Conditions portion of this Agreement.</u></p>	AT&T is asking SWBT to provide greater protection from liabilities than SWBT receives today under its own contracts with customers. If AT&T wants such additional insurance coverage, it is in the best position to purchase it. If SWBT is required to provide it, SWBT must be allowed to pass the costs on to AT&T.	SWBT objects to the inclusion of AT&T's proposed language in 7.2.8, 7.3.7, and 9.5.3.10.

Key: **Bold & underline represents language proposed by AT&T and opposed by SWBT.**

Bold represents language proposed by SWBT and opposed by AT&T.

7/25/97

UNE - p. 27